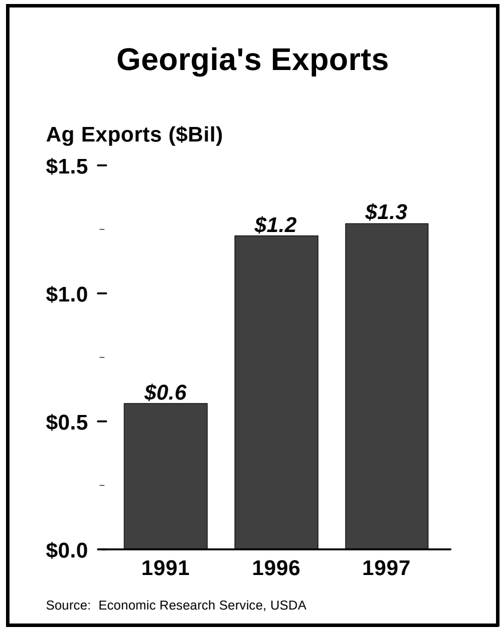
WTO and Agriculture

What's at Stake for Georgia?

Georgia is an important producer of agricultural products and a large exporter. In 1997, Georgia ranked 14th among all 50 states in the value of its agricultural exports. The state's exports reached an estimated $1.3 billion, up from $569 million in 1991. These exports help boost farm prices and income, while supporting about 21,600 jobs both on and off the farm in food processing, transportation and manufacturing. Exports are increasingly important to Georgia's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports rose from 14% to 22% since 1991.

Georgia's top five agricultural exports in 1997 were:

poultry and products -- $387 million
cotton -- $265 million
peanuts and products -- $107 million
tobacco leaf -- $117 million
wheat and products -- $60 million



World demand for these products is increasing, but so is competition among suppliers. If Georgia's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

Georgia Producers Benefit from Trade Agreements

Georgia is already benefitting from a number of agricultural trade agreements. While there is still much to be done, examples of new market opportunities for Georgia include:

Georgia, the nation's 2nd largest poultry producer, should benefit under the Uruguay Round as South Korea grants unlimited access for frozen chicken at a 20% tariff by 2004. Poland opened market access equal to 8.5% of domestic consumption (roughly 30,000 tons in 1996). The Philippines opened a tariff-rate quota for 14,000 tons of chicken, which will reach 23,500 tons by 2004.

Under NAFTA, Mexico immediately converted its import licensing regime for chilled and frozen poultry to a transitional tariff-rate quota. This quota will be phased out by 2004.

The nation's 3rd largest cotton producer, Georgia benefits under NAFTA with new rules of origin that have increased demand for U.S. textiles in Canada and Mexico. Mexico will phase out its 10% tariff for cotton by 2004. Under the Uruguay Round, Hong Kong and Malaysia bound their cotton tariffs at zero.